

## **BILL ANALYSIS**

Senate Research Center

H.B. 1138  
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State Affairs  
5/18/2009  
Committee Report (Amended)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

To fill a prescription, a pharmacist needs certain information about an individual's health benefit plan, some of which may be obtained from the customer's pharmacy benefit identification card. If the card does not provide all the necessary information, the pharmacist must call the health benefit plan provider for the information. The current statutory requirements for the information that must be on a pharmacy benefit identification card do not include all of the needed information.

H.B. 1138 requires additional information to be included on a pharmacy benefit identification card and requires certain information to be located on the front of the card. The bill adds to the health benefit plans and programs to which provisions relating to pharmacy benefit identification cards are applicable certain plans for state employees, the children's health insurance program for certain low-income children, and the Medicaid program.

H.B. 1138 relates to information required on pharmacy benefit cards.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the commissioner of insurance is modified in COMMITTEE AMENDMENT NO. 1 (Section 1369.154, Insurance Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 1369.151, Insurance Code, as follows:

Sec. 1369.151. **APPLICABILITY OF SUBCHAPTER.** (a) Creates this subsection from existing text. Makes no further changes to this subsection.

(b) Provides that notwithstanding any other law, this subchapter applies to coverage under the basic coverage plan under Chapter 1551 (Texas Employees Group Benefits Act), the basic plan under Chapter 1575 (Texas Public School Employees Group Benefits Program), the primary care coverage plan under Chapter 1579 (Texas School Employees Uniform Group Health Coverage), the basic coverage plan under Chapter 1601 (Uniform Insurance Benefits Act for Employees of the University of Texas System and the Texas A&M University System), the child health plan program under Chapter 62 (Child Health Plan for Certain Low-Income Children), Health and Safety Code, and the medical assistance program under Chapter 32 (Medical Assistance Program), Human Resources Code.

SECTION 2. Amends Section 1369.153, Insurance Code, as follows:

Sec. 1369.153. **INFORMATION REQUIRED ON IDENTIFICATION CARD.** (a) Requires an issuer of a health benefit plan that provides pharmacy benefits to enrollees to include certain information on the front of the identification card of each enrollee, including the name, rather than the name or logo, of the entity administering the pharmacy benefits if the entity is different from the health benefit plan issuer, the identification number of the enrollee, which may not be the enrollee's social security number, and the bank identification number necessary for electronic billing. Deletes existing text requiring that the enrollee identification card include a telephone number for

contacting an appropriate person to obtain information relating to the pharmacy benefits provided under the plan. Makes nonsubstantive changes.

(b) Requires the issuer of a health benefit plan, in addition to the information required under Subsection (a), to include on the identification card of each enrollee the logo of the entity administering the pharmacy benefits if the entity is different from the health benefit plan issuer, and a telephone number for contacting an appropriate person to obtain information relating to the pharmacy benefits provided under the plan.

(c) Authorizes an issuer of a health benefit plan, in addition to complying with Subsections (a) and (b), to provide the information required under Subsections (a) and (b) in electronically readable form on the back of the identification card.

(d) Provides that this section does not require a health benefit plan issuer that administers its own pharmacy benefits to issue an identification card separate from any identification card issued to an enrollee to evidence coverage under the plan if the identification card issued to evidence coverage contains the information required by Subsections (a) and (b), rather than Subsection (a).

SECTION 3. Makes application of this Act prospective to January 1, 2010.

SECTION 4. Effective date: September 1, 2009.

#### **SUMMARY OF COMMITTEE CHANGES**

(1) Amends SECTION 3 of the bill (page 3, between lines 26 and 27), by creating a new SECTION 3, as follows:

Sec. 1369.154. RULES. (a) Creates this subsection from existing text.

(b) Requires that rules adopted by the commissioner be consistent with national standards established by the Workgroup for Electronic Data Interchange or by other similar organizations recognized by the commissioner.

Renumbers the subsequent SECTIONS accordingly.